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S.A.S. à capital variable
France

Total Capital International

Statutory Auditors' Review Report on the first half-yearly financial information

Period from January 1st to June 30, 2012
Total Capital International
2, place Jean Millier - La Défense 6 - 92400 Courbevoie
This report contains 21 pages



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This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

Total Capital International

Registered office: 2, place Jean Millier - La Défense 6 - 92400 Courbevoie
Share capital: €300 000

Statutory Auditors' Review Report on the first half-yearly financial information

Period from January 1st to June 30, 2012

To the Shareholders,

Following our appointment as statutory auditors by your annual general meetings and in accordance with the requirements of article L.451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying half-yearly financial statements of Total Capital International for the six-month period ended June 30, 2012,
- the verification of information contained in the half-yearly management report.

These half-yearly financial statements are the responsibility of the Board of Director. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these half-yearly financial statements do not give a true and fair view of the assets and liabilities and of the financial position of Total Capital International as at June 30, 2012 and of the results of its operations for the period then ended, in accordance with the French accounting principles.



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Total Capital International
Statutory Auditors' Review Report on the first half-
26 July 2012

II. Specific verification

We have also verified information presented in the interim report in respect of the half-yearly financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the half-yearly financial statements.

Paris La Défense, July 26, 2012

The statutory auditors

French original signed by

Jay Nirsimloo
Partner

Pascal Macioce
Partner

**TOTAL CAPITAL INTERNATIONAL
2 PLACE JEAN MILLIER
92400 COURBEVOIE
R.C.S. 479 858 854**

**FINANCIAL STATEMENTS
AS OF 30 JUNE 2012**

TOTAL CAPITAL INTERNATIONAL

- BALANCE SHEET AS OF 30 JUNE 2012
- INCOME STATEMENT AS OF 30 JUNE 2012
- CASH FLOW STATEMENT AS OF 30 JUNE 2012
- APPENDIX

TOTAL CAPITAL INTERNATIONAL

**BALANCE SHEET
AS OF 30 JUNE 2012**

TOTAL CAPITAL INTERNATIONAL
BALANCE SHEET AS OF 30 June 2012

EUROS

ASSETS	30 June 2012			31 December 2011	LIABILITIES	30 June 2012	31 December 2011
	Gross	Amortizations and depreciations	Net				
FIXED ASSETS							
FINANCIAL ASSETS (note 2)							
Long-term loans	2,993,194,749		2,993,194,749		Capital	300,000	300,000
Drawdowns on credit facilities	2,983,232,724		2,983,232,724		Reserves	(47,309)	(41,309)
Accrued interests on long-term loans	9,962,025		9,962,025		Legal Reserves	(47,580)	(41,309)
Accrued interests on credit facilities					Retained Earnings	(643,154)	(6,272)
TOTAL I	2,993,194,749		2,993,194,749		Income for fiscal year	(590,735)	252,420
					TOTAL I		
CURRENT ASSETS					PROVISIONS		
					TOTAL II		
ACCOUNTS RECEIVABLE (note 3)					LIABILITIES		
Current accounts and inter-company loans	5,946,585		5,946,585	258,400	Debtenture loans and similar debt debentures (note 5)	2,998,095,532	
Related accounts receivable	38,440		38,440	258,400	Debtenture loans after hedge swaps	2,983,232,724	
Other receivables					Accrued interests on debtenture loans	14,862,808	
Accrued income / swaps	5,908,145		5,908,145		Miscellaneous borrowings and financial debts (note 6)	796,573	
					Commercial Papers		
					Creditor current accounts		
					Related accounts payables / miscellaneous financial debts		
					Accrued liabilities / swaps	796,573	
					Other creditor		
					Operating liabilities (note 7)	839,963	5,980
					Trade notes and accounts payable	839,963	5,980
					Tax and social liabilities		
TOTAL II	5,946,585		5,946,585	258,400	TOTAL III	2,999,732,068	5,980
PREPAID EXPENSES III					PREPAID INCOME IV		
GRAND TOTAL (I+II+III)	2,999,141,334		2,999,141,334	258,400	GRAND TOTAL (I+II+III+IV)	2,999,141,334	258,400
	EUR		EUR		EUR	EUR	EUR

TOTAL CAPITAL INTERNATIONAL

**INCOME STATEMENT
AS OF 30 JUNE 2012**

TOTAL CAPITAL INTERNATIONAL

INCOME STATEMENT AS OF 30 June 2012

EUROS

EXPENSES	30 June 2012	31 Dec. 2011	INCOME	30 June 2012	31 Dec. 2011
OPERATING EXPENSES (note 8)			OPERATING INCOME		
External expenses	1,156,924	7,325	Miscellaneous income		
Taxes		500			
TOTAL I	1,156,924	7,825	TOTAL I	0	0
FINANCIAL EXPENSES (note 9)			FINANCIAL INCOME (note 10)		
Interests on debenture loans	14,862,808		Interests on long-term loans	12,266,959	
Interests on Billets de Trésorerie			Interests on inter-company loans		
Interests on loans	7,574	4	Interests on current accounts	7,931	1,557
Interests on current accounts			Interests on bank deposits		
Interests on bank deposits			Income from swaps	5,268,937	
Interests on swaps	2,354,455		Other interests and similar income		
Other financial expenses	5,223		Foreign exchange income		
Foreign exchange loss	0		Diverse financial interests		
Diverse financial expenses					
TOTAL II	17,230,059	4	TOTAL II	17,543,828	1,557
EXTRAORDINARY EXPENSES			EXTRAORDINARY INCOME		
TOTAL III	0	0	TOTAL III	0	0
INCOME TAX IV			NET LOSS FOR THE FISCAL YEAR	843,154	6,272
NET INCOME FOR THE PERIOD					
GRAND TOTAL	18,386,982	7,829	GRAND TOTAL	18,386,982	7,829

TOTAL CAPITAL INTERNATIONAL

**CASH FLOW STATEMENT
AS OF 30 JUNE 2012**

CASH FLOW STATEMENT

in thousands of euros

	30 June 2012	31 Dec. 2011
<u>OPERATING CASH FLOW</u>		
Fiscal period income As of 31.12.2011		-6
Fiscal period income As of 31.06.2012	-843	
Minus (plus) working capital required	0	
Net Operating Cash Flow	-843	-6
<u>INVESTMENT CASH FLOW</u>		
Increase in long-term loans	-2,906,688	0
Repayment of long-term loans	0	0
Net Investment Cash Flow	-2,906,688	0
<u>FINANCING CASH FLOW</u>		
Capital increase	0	260
Net loans issued	2,913,159	0
Changes in short-term financial liabilities	80,566	0
Changes in short-term receivables	-84,495	-254
Net Financing Cash Flow	2,909,230	6
Cash increase (decrease)	1,699	0
Impact of foreign exchange fluctuations	-1,699	0
Cash at the beginning of the period	0	0
Cash at the end of the period	0	0

TOTAL CAPITAL INTERNATIONAL

APPENDIX

APPENDIX

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SIGNIFICANT EVENTS

During the first half 2012 Total Capital International started its activity on debt capital markets through various debt issuance programmes.

For long-term borrowings, Total Capital International can issue along with TOTAL S.A., TOTAL Capital and Total Capital Canada Ltd., as principal issuer under the EMTN programme (guaranteed by TOTAL S.A.), on a US SEC Registered Shelf programme (guaranteed by TOTAL S.A.) and on a stand-alone basis (guaranteed by TOTAL S.A.) on the Swiss market.

In 2012, Total Capital International issued debenture loans for USD 0.4 billion and (after swaps) under the EMTN programme, and for USD 3.5 billion (after swaps) under the US SEC Registered Shelf programme, guaranteed by Total S.A..

Total Capital International's issue programmes have a long term and a short term ratings by Standard and Poor's: AA-/A-1+ with a stable outlook, by Moody's: Aa1/P-1 with a stable outlook and by DBRS: AAVR-1 middle with a stable outlook. These ratings were made possible thanks to TOTAL S.A.'s guarantee granted to these programmes.

Interest rates and currency transactions were concluded by empowered entities of Total S.A. in association with the development of the financial activities of Total Capital International, towards the Group as well as the market.

Note 1: ACCOUNTING RULES

GENERAL PRINCIPLES

The balance sheet and income statement are established in accordance with the provisions of French law and in compliance with generally accepted accounting principles used by corporations.

ACCOUNTING RULES AND METHODS

The long- and medium-term financing transactions within the Total group are recorded as financial assets according to their face value.

✓ Currency transactions

Given Total Capital International's financial activities and the significant amount of its foreign currency inflows and outflows, Total Capital uses multi-currency accounting, as financial institutions do.

Therefore, at closing, Total Capital International does not use translation adjustment accounts but revaluates balance sheet and off-balance sheet entries whose impact is recorded in the income statement.

TOTAL CAPITAL INTERNATIONAL

The revaluation of long-term off-balance sheet items in foreign currencies is recorded in the balance sheet as the financial derivative instruments with which they match (debenture loans).

The revaluation of short-term off-balance sheet items in foreign currencies is recorded under "revenue receivables from the revaluation of off-balance sheet foreign exchange positions" or "expenses payables for the revaluation of off-balance sheet foreign exchange positions."

The foreign exchange positions are converted into euros based on the exchange rate at the end of the fiscal year.

✓ **Interest Rate and Currency Financial Instruments**

Outstanding transactions involving forward financial instruments are recognized as off-balance sheet liabilities. They consist primarily of interest rate and currency swap agreements negotiated for hedging purposes in order to manage Total Capital International's exposure to fluctuations in interest rates and foreign exchange rates.

The interest differentials along with the premiums or discounts associated with these swaps or forward contracts are recorded, prorated over the period, in the income statement as financial expenses or income over the life of the items that they match.

A provision will be booked for possible losses relating to transactions where the accounting standards for hedging are not respected.

✓ **Debenture loans**

Debenture loans converted into US dollars or euros through individually paired swaps are shown in the post-swap currency. They are converted at the closing rate on the date of the account statement. The profits and losses resulting from the conversion at the closing rate of the currency borrowings and currency swaps are recorded as revenue under the heading: Foreign Exchange Profits and Losses.

Note 2: FINANCIAL ASSETS

Long-term investments are comprised of long-term loans in US dollars with Total Finance Exploitation for a nominal amount of € 2.189 billion, and with Total Finance for a nominal amount of € 794 million. They are fully backed to the debenture loans after taking into account the issue swaps.

a) Changes in financial assets

in thousands of euros

FINANCIAL ASSETS	POSITION AT THE OPENING OF FISCAL YEAR	INCREASES ACQUISITIONS CONTRIBUTIONS	DECREASES DISPOSALS	GROSS VALUE AT CLOSING
Long-term loans		2,983,233		2,983,233
Accrued interests on long-term loans		9,962		9,962
TOTAL	0	2,993,195	0	2,993,195

b) Financial assets repayment schedule

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Long-term loans	2,983,233		2,188,952	794,281
Accrued interests on long-term loans	9,962	9,962		
TOTAL	2,993,195	9,962	2,188,952	794,281

Note 3: RECEIVABLES

More than 89% of the accounts receivable are loans with Total Capital amounting to € 5.269 million.

Detail of Accounts Receivable

in thousands of euros

	GROSS AMOUNT	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS
Current accounts and inter-company loans	38	38		
Accrued interest (inter-company loans, current accounts)				
Other receivables				
Accrued income on swaps and forward transactions	5,908	5,908		
TOTAL ACCOUNTS RECEIVABLE	5,946	5,946		

Note 4: SHAREHOLDERS' EQUITY

a) Changes in Shareholders' Equity

in thousands of euros

2011	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2010	POSITION AS OF 31 Dec. 2011
Share capital	40		300
Legal reserve			
Retained earnings	(36)	-6	(42)
Income for fiscal year 2009	(6)	6	0
Dividend distribution			
Income as of 31 December 2010			(6)
TOTAL SHAREHOLDERS' EQUITY	(2)	0	252

in thousands of euros

2012	POSITION AT THE OPENING OF FISCAL YEAR	NET INCOME APPROPRIATION 2011	POSITION AS OF 30 June 2012
Share capital	300		300
Legal reserve			
Retained earnings	(42)		(42)
Income for fiscal year 2011	(6)		(6)
Dividend distribution			
Income as of 30 June 2012			(843)
TOTAL SHAREHOLDERS' EQUITY	252	0	(591)

b) Structure of the Share Capital

Total Capital International comprises 30,000 shares with a face value of € 10 each, held as follows:

TOTAL S.A.	29,994	shares representing	99.98%
DIRECTORS	6	shares representing	0.02%

NOTE 5: DEBENTURE LOANS AND SIMILAR DEBT DEBENTURES

The debenture loans are shown below first before conversion into US dollars or euros mainly with variable-rate, then following the impact of the revaluation of swaps for currency risk. They are redeemed at maturity. After the conversion into US dollars or euros, these debts finance all long-term loans, in addition to other items.

in thousands of euros

DEBENTURE LOANS		IN SPECIFIC CURRENCY	30 June 2012	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	MORE THAN 5 YEARS	31 Dec. 2011
FX.	DETAIL						
AUD	100 M AUD 4,875%	100,000,000	81,044		81,044		
	150 M AUD 4,125%	150,000,000	121,566		121,566		
USD	1 000 M USD 2,875%	1,000,000,000	794,281			794,281	
	1 000 M USD 1,500%	1,000,000,000	794,281		794,281		
	1 500 M USD 1,550%	1,500,000,000	1,191,422		1,191,422		
Total debenture loans before hedge swaps			2,982,594		2,188,313	794,281	
Impact of revaluation of hedge swaps			639	639			
Total debenture loans after hedge swaps			2,983,233	639	2,188,313	794,281	
Interest accrued / debenture loans			14,863	14,863			
Total			2,998,096	15,502	2,188,313	794,281	

Note 6: MISCELLANEOUS BORROWINGS AND FINANCIAL DEBTS

Repayment schedule for miscellaneous borrowings and financial debts

in thousands of euros

	30 June 2012	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec. 2011
Surety deposits (1)					
Current account receivable					
Related accounts payables / miscellaneous financial debts					
Accrued liabilities / swap	797	797			
Diverse creditors					
TOTAL LIABILITIES	797	797			

Note 7: OPERATING LIABILITIES

Repayment schedule for operating liabilities

in thousands of euros

	30 June 2012	LESS THAN A YEAR	BETWEEN 1 AND 5 YEARS	INCLUDING MORE THAN 5 YEARS	31 Dec. 2011
Trade notes and accounts payable	840	840			6
Taxes and social obligations					
TOTAL LIABILITIES	840	840			6

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Note 8: OPERATING EXPENSES

in thousands of euros

	30 June 2012			31 Dec. 2011		
	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total
External expenses	836	321	1,157		7	7
Taxes					1	1
TOTAL	836	321	1,157	0	8	8

Note 9: FINANCIAL EXPENSES

in thousands of euros

	30 June 2012			31 Dec. 2011		
	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total
Interests on Debenture Loans		14,863	14,863			
Interests on Loans						
Interests on Current Accounts	8		8			
Interests on Bank deposits						
Interests on Swaps	2,354		2,354			
Other expenses						
Foreign exchange losses						
Net foreign exchange losses (1)		5	5			
TOTAL	2,362	14,868	17,230	0		0

Note 10: FINANCIAL INCOME

in thousands of euros

	30 June 2012			31 Dec. 2011		
	Affiliated Corporations	Others	Total	Affiliated Corporations	Others	Total
Interests on long-term loans	12,267		12,267			
Interests on credit facilities						
Inter-company loans						
Interests on current accounts	8		8	2		2
Interests on Bank deposits						
Income from swaps	5,269		5,269			
Other Interests and similar income						
Diverse financial interests						
Net foreign exchange profits (1)						
TOTAL	17,544		17,544	2		2

(1) The foreign exchange profits and losses break up as follows:

in thousands of euros

	30 June 2012	31 Dec. 2011
Foreign exchange losses	-6,017	0
Foreign exchange profits	6,012	0
Total	-5	0

Note 11: OFF-BALANCE SHEET COMMITMENTS**a) Portfolio of derivative financial instruments**

The off-balance sheet commitments for derivative financial instruments are shown below.
These amounts establish the notional commitment without reflecting an underlying loss or gain.

in thousands of euros

MANAGEMENT OF INTEREST RATE RISK	30 June 2012						31 Dec. 2011
	TOTAL	2012	2013	2014	2015	2016 and beyond	TOTAL
Swaps / hedging fixed interest bond issues * Notional amount	2,188,313					2,188,313	
Swaps / hedging floating interest bond issues * Notional amount							
Long-term cross-currency swaps Fixed interest rate lending swaps Notional amount							
Variable interest rate lending swaps Notional amount							
Interest rate swaps Fixed interest rate lending swaps Notional amount							
Variable interest rate lending swaps Notional amount							

* Cross-currency swaps and interest-rate swaps matched to bonds

in thousands of euros

MANAGEMENT OF FOREIGN EXCHANGE RISK	30 June 2012						31 Dec. 2011
	TOTAL	2012	2013	2014	2015	2016 and beyond	TOTAL
Foreign exchange swaps Notional amount							
Forward currency contracts Notional amount							

b) Market valuation of derivative financial instruments

As of 30 June 2012, the details of the market valuation of derivative financial instruments are as follows:

in thousands of euros

	30 June 2012		31 Dec. 2011
Swaps hedging bond issues	3,016	*	*
Short-term interest rate swaps	0	*	*
Classic interest rate swaps	0	*	*
Forward currency financial instruments	0		

(*) The market value of the swaps is "ex coupon".

Total Capital International

c) Other off-balance sheet commitments

in thousands of euros

COMMITMENT CATEGORY	30 June 2012		31 Dec. 2011	
	Affiliated corporations	Others	Affiliated corporations	Others
Commitments given				
-Credit facilities granted				
-Drawdowns on credit facilities				
-Non-utilised credit facilities				
Commitments received				
-Credit facilities allocated				
-Drawdowns on credit facilities				
-Non-utilised credit facilities				

NOTE 12: CONSOLIDATION

Total Capital International's accounts are fully consolidated into the financial statements of the TOTAL S.A. Group.

NOTE 13 : FISCAL INTEGRATION

Total Capital International, a subsidiary of TOTAL S.A., is included in the fiscal integration of TOTAL S.A.

NOTE 14: STAFF AND MANAGEMENT BODIES

Total Capital International benefits from the technical and administrative assistance of staff from TOTAL S.A. and does not pay any remuneration to the members of the Board of Directors.